

Ronald Karoles

Criminal Arrest

DATE: July 3, 2002 DEFENDANT: Ronald Karoles of Edmonton, Alberta, Canada

CHARGES: On July 3, 2002 Ronald Karoles as arrested in Seattle, Washington, while exiting a plane arriving from Canada. Karoles Bonded out on July 9, 2002. Karoles is charged with count one unlawful sale of a security, count two unregistered broker/dealer and count three unregistered securities.

COURT: Sedgwick County, Kansas

Notice to Investors: If you are not a resident of Kansas and have been affected by actions that are similar to those described in this synopsis, you should consider contacting your state securities regulator for assistance. To locate your securities regulator, go to the [North American Securities Administrators Association](#) website. If you choose to contact your state securities regulator, please inform him or her of the action taken by the State of Kansas.